FISCAL IMPACT STATEMENT ON BILL NO. H. 3972

(Doc. No. 11673ac05.doc)

The Honorable Joe E. Brown, Chairman, House Medical, Military, Public and Municipal

Affairs Committee

FROM: Office of State Budget, Budget and Control Board

ANALYSTS: R.J. Stein

DATE: May 16, 2005 SBD: 2005448

AUTHOR: Representative Emory PRIMARY CODE CITE: 44-113-20

SUBJECT: Provider Self-Referral Act Definition

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

House Bill 3972 amends Section 44-113-20(10)(a) of the Code of Laws of South Carolina, 1976 by revising the definition of the term "investment interest." Under current law, a health care provider may not refer a patient to an entity in which the health care provider has an "investment interest." However, certain "investment interests" are exempt from this provision. Currently, Section 44-113-20(10)(a) exempts entities that are the sole providers of designated health services in a rural area. House Bill 3972 would amend this definition by extending the exemption to entities in a rural area that provide 75% or more of designated health services to residents of that rural area.

EXPLANATION OF IMPACT:

This Bill affects only the service providers to which a physician may refer a patient. There is no impact on the General Fund of the State or on Federal and/or Other Funds.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:

Don Addy

Assistant Director, Office of State Budget